

Submission of Statement HB ~~244~~ 229, and 265 Hearing in Hse State Admin Sept 29, 201

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Oppose

In the 1970's now Senator Max Baucus walked the highways of Montana with the pledge taking a reform agenda to Washington DC. He was going to clean up the place.

Recently, a rider attached to the "fiscal cliff" bill gave Amgen Incorporated an estimated \$500,000,000 benefit in the form of an extended patent on some of its drugs. Senator Baucus was in the room when that rider was attached to the bill. The bill passed without any hearing.

Baucus's connections to Amgen, Inc., and their campaign contributions to him made the news. How did Baucus the young reformer become associated with corporate influence in politics? To get the campaign cash he needs to be re-elected. Or to put it another way, by finding favor with Washington lobbyists, who will funnel the necessary corporate cash to him.

What did Baucus receive for this \$500,000,000 favor? According to news sources, over a period of years Amgen executives and stockholders gave Baucus at least \$68,000 in campaign contributions.

Why so little? According to Jack Abramoff, the former lobbyist, politicians deal in stolen goods. Favors are free to the politician, and every other politician is driving the price down.

Of course that \$68,000 was no bribe, or as Abramoff would put it, it was a perfectly legal bribe. And if you fund-raise 147 perfectly legal \$68,000 bribes over the course of six years you have the \$10 million you need for the next U.S. Senate election campaign.

But Senator Mitch McConnell, and Senator Orin Hatch were also in that room. All of our politicians depend on campaign contributions before they depend on votes. Congressmen spend at least one third of their time raising money. No matter who we send to Washington, they will need to raise large amounts of campaign cash for re-election. Lobbyists, corporate, union, and otherwise, are happy to make fund-raising easier and less time consuming. And the effect on our politics is corrosive.

The Framers of the Constitution of the United States were big on preventing corruption. They talked about it a lot. Lawrence Lessig, Republic Lost, p 241-42. And not just the direct sale of a vote for personal gain. They wanted government officials to attend to the interests of "the people alone", the voters. Anything that interfered with the dependence of the politician on the voter corrupted the political process. Anything that distracted the attention of the politician from the voter was a form of corruption.

What did "the people alone" receive when recently Amgen, Inc., was granted a special midnight favor? The questionable benefit of paying high prices for drugs that would have become less expensive if allowed to become generic. Did the three Senators' dependence on the steady dribble of campaign contributions from Amgen distract them away from the people's interest to the interest of the stockholders of Amgen? The Framers would certainly have regarded this as at least the appearance of corruption.

But the United States Supreme Court sees no corruption in this system of legalized bribery. In Citizens United Justice Kennedy wrote for the majority, "It is in the nature of an elected representative to favor certain policies, . . . and to favor the voters and contributors who

support those policies.” *And contributors.* With those two words, the Court went wrong. “The Framers did not intend to make representatives dependent upon contributors.” Lessig, p.242. The focus was intended to be on the voters alone.

The decision that corporations are just a different kind of person, and so entitled to full free speech rights, has loosed a flood of independent cash into political campaigns. And now we have banks “too big to fail” and corporations increasing their lobbying staff. As the price of campaigns increases this drastically increases the dependence of politicians on money and fund-raising and so lobbyists. Amgen’s return on contributions and lobbying expenses was hundreds of dollars for every one spent. Why invest in research when you can purchase profits for a small investment?

It only took the Anaconda corporation ten years to take over and completely dominate Montana’s political system entirely. Then the Anaconda quickly froze out or undercut all competition. Concentrated wealth will destroy a republic and even an economy if it is not reined in. Citizens United must be reversed as soon as possible.

The reforms suggested in this bill only accommodate the current corrupt system.